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The U.S. Government's Global Hunger & Food Security Initiative



SOUTH SUDAN FOOD, AGRIBUSINESS, AND RURAL MARKETS II PROJECT

**2nd Quarterly Report
July 16, 2015–October 15, 2015**

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**SOUTH SUDAN FOOD, AGRIBUSINESS,
AND RURAL MARKETS II PROJECT**

2nd Quarterly Report: July 16, 2015–October 15, 2015

Contract No. AID-668-C-15-00001

DISCLAIMER

The author's views expressed in this publication do not necessarily reflect the views of the United States Agency for International Development or the United States Government.

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ACRONYMS

AAH-I	Africa Action Help International
ASPF	Agricultural Sector Policy Framework
BDS	Business development services
CES	Central Equatoria State
DRC	Democratic Republic of the Congo
EABL	East African Breweries Ltd.
EAGC	Eastern Africa Grain Council
EES	Eastern Equatoria State
FaaB	Farming as a Business
FARM	Food, Agribusiness, and Rural Markets
FARM II	Food, Agribusiness, and Rural Markets II project
FBO	Farmer-based organization
FPLC	Farmer Participatory Learning Center
FSSL	Finance South Sudan Ltd.
GAP	Good agronomic practices
GIZ	German Society for International Cooperation
IGF	Innovative Grants Facility
LRA	Lord's Resistance Army
M&E	Monitoring and evaluation
MIS	Market information system
MT	Metric ton
NAFA	Nzara Agricultural Farmers Association
P4P	Purchase for Progress
PMP	Performance management plan
PPP	Public-partner partnership
RATIN	Regional Agricultural Trade Intelligence Network
RFA	Request for applications
SME	Small or medium-sized enterprise
SPLA	Sudan People's Liberation Army
SSP	South Sudanese Pound
TOT	Training-of-trainer
WES	Western Equatoria State
WFP	World Food Programme
YAFA	Yambio Farmers' Association

PROJECT OVERVIEW

Project Name	Feed the Future South Sudan Food, Agribusiness, and Rural Markets II Project
Period of performance:	April 16, 2015 – April 15, 2016
Name of prime implementing partner:	Abt Associates
[Contract/Agreement] Number:	AID-668-C-00001
Names of subcontractors:	ACDI VOCA, AAH-I, Risk and Security Management Consulting, Making Cents International, BBC Media Action, and Norman Borlaug Institute-Texas A&M
Geographic coverage (cities and or countries):	Western Equatoria State, Central Equatoria State, and Western Equatoria State
Reporting period:	July 16, 2015 –October 15, 2015

EXECUTIVE SUMMARY

The Feed the Future South Sudan Food, Agribusiness, and Rural Markets (FARM) II project recently met the halfway point of its one-year period of performance. This report highlights the project's achievements during the second quarter of operations—July 16, 2015, through October 15, 2015. With much of the first and last quarters of this one-year contract largely taken up by start-up and close-down periods, the second and third quarters constitute the core of the implementation period and FARM II is currently fully immersed in executing activities.

Despite a very difficult context, our team has been able to continue the bulk of project operations and this quarter has seen significant gains toward achieving FARM II's goals to expand and diversify the program and realize scalable, sustainable results through a market-driven approach to agricultural development in the country. One of the key achievements was to expand the project's reach: we extended the service area established under the original FARM project by adding nine new payams—one per county.

Our work is being carried out in a continually declining security environment. In Western Equatoria State, work has been temporarily halted since the first quarter in Mundri West and Maridi counties. In addition, travel is restricted in Yambio due to conflicts between the Sudan People's Liberation Army (SPLA) and local armed groups. The roads linking Juba and Yei and Juba and Kajo-Keji in Central Equatoria State are not currently being used due to safety concerns. The nation's worsening economic situation is causing a swift increase in general crime throughout the Equatoria region, including in Juba, requiring heightened levels of security precaution and limiting mobility. Parts of Eastern Equatoria State have also experienced significant drought, which is having a negative impact on yields and limiting some project activities during the quarter. Shortages of commodities, including gasoline, have also presented implementation challenges.

This report summarizes the work done and progress made in FARM II's three main components: agriculture markets, agriculture productivity, and capacity building. The structure of the report is consistent with that of the project work plan.

STRENGTHENING AGRICULTURE MARKETS

Under this component, FARM II made significant gains during the second quarter in strengthening post-harvest handling and processing capacity and establishing value chains linkages—both of which are critical elements for building viable agriculture markets in South Sudan. During the quarter, FARM II:

- **Improved post-harvest handling and processing practices.** Our team distributed 30,000 50-kg hermetic bags to six cooperatives and one farmers' association. These organizations will in-turn sell them to their farmer-based organization (FBO) members. A pilot of this activity under the first FARM project demonstrated the value of these hermetic storage bags in dramatically decreasing post-harvest losses, improving food security, and increasing the availability of surplus product for marketing purposes. We plan to distribute an additional 10,000 bags in Maridi and Mundri West counties during the third quarter, once these conflict zones are further stabilized.

- **Strengthened marketing channels, structures, and logistics.** To strengthen the collective marketing system, we hired liaisons to provide hands-on assistance to project-supported cooperative unions in areas such as marketing and management. We organized a training-of-trainers program that has delivered training to 351 participants in key business areas such as collective marketing, financial literacy, and farming as a business.
- **Enhanced primary processing.** The project team continued to help cooperative unions fully utilize the mechanized processing equipment provided by the first FARM project. We helped them create simple solutions to make the equipment more accessible to their members. FARM II will distribute more processing equipment during the third quarter, through our in-kind cooperative union support grant program. Individuals and small businesses will also be able to apply for in-kind processing equipment grants during the upcoming quarter, under our enterprise grants program.
- **Developed market opportunities.** Three project-organized farmer–input trader forums enabled two South Sudanese input supply companies to meet with cooperative unions in Eastern and Western Equatoria. Participants discussed seed multiplication and other input needs with local farmers. In collaboration with the World Food Programme (WFP), we also organized three farmer–financial institution forums, where 85 smallholder farmer groups learned about two new agricultural finance products—*Crop Advance* and *Dein Le Zira/Credit for Farming*. The groups also participated in discussions with the WFP about its buying procedures in the country.
- **Supported value-adding options and opportunities.** We piloted a micro-franchising scheme linking three cooperative unions with input suppliers Century Seed Ltd. and Seed Grow Co. Ltd. Under these relationships, the cooperative unions will serve as local agro-dealers for these companies, integrating input supply distribution channels with local farmers’ input needs.
- **Facilitated market linkages.** FARM II linked 10 cooperative societies to the WFP’s Purchase for Progress (P4P) program, the country’s largest purchaser of grains and legumes. We also linked these same 10 groups with two financial institutions and two input supplies companies, to assist them in gaining access to capital and resources so they can better respond to market opportunities.
- **Improved access to credit and finance.** Two South Sudanese financial institutions received assistance from FARM II to launch and market new financial products that will help farmer groups access short-term working capital, providing them with cash while they await payment from buyers. We also helped a number of farmer groups open deposit accounts to initiate relationships with these financial institutions.
- **Expanded access to market information services.** FARM II is training new extension workers on the use of smart phones to collect current market pricing data. Using the phones enables the pricing data to flow into a CommCare website report, which can then be shared with various stakeholders to help them make informed, market-driven decisions. We are collaborating with the Eastern Africa Grain Council (EAGC) to integrate the project’s rural market information system within the council’s Regional Agricultural Trade Intelligence Network (RATIN). This approach is designed to ensure the long-term continuity of this program.

BOOSTING AGRICULTURAL PRODUCTIVITY

FARM II’s agriculture productivity component focuses primarily on increasing use of new technology, improving farming practices, and strengthening producer organizations. Highlights of our achievements during the quarter include:

- **Improved smallholder production and productivity.** FARM II continued to distribute 294,000 kg of improved seeds and 200,000 kg of cassava stems to smallholders in all three Equatoria states. We then provided training and information to assist the farmers in planting the seeds and cassava during the region's second planting season, which primarily occurs during late July and August. We estimate that a total of 18,710 feddans of land have been planted as a result of this distribution. The project also trained more than 800 farmers on crop conditioning and post-harvest handling.
- **Increased the efficiency and effectiveness of extension services.** The use of demonstration plots enables the project to deliver extension services by showing first-hand the impact of new technologies and farming practices. These plots also help FARM II access new farmers who have not previously benefitted from the project. To date, we have established demonstration plots in 29 of the 36 payams covered by FARM II. And to help local farmers gain practical experience with improved farming practices, we organized farmer field days in 28 of these plots during the quarter. We also began providing more intensive extension training to 412 lead farmers selected by their own FBOs and cooperative societies. Project subcontractor BBC Media Action completed a communications assessment and recommended ways to expand the reach of our extension services by using radio, SMS messaging, and other technologies.
- **Enhanced knowledge about small farmer productivity.** We have expanded the crop yield assessment program begun under FARM—that project gathered yield data only on maize, while FARM II has begun collecting data on maize, groundnuts, cassava, and beans. We began collecting yield data for these four crops during the first harvest season, despite being hampered by conflict in Western Equatoria, drought in Eastern Equatoria, and fuel shortages in many local areas. A more robust collection effort will take place during the second harvest season, beginning in November.
- **Explored sustainable seed multiplication options.** Through a competitive selection process, FARM II selected Seed Grow Co. Ltd. to receive a \$49,652 public-private partnership grant to link it with smallholder farmers to develop seed multiplication capacity in the country. We are also assisting Century Seed, a previous FARM project beneficiary, to establish market linkages in this area.
- **Addressed youth and gender needs.** A report on youth in agriculture was completed during the first quarter by Making Cents International, providing useful information on ways to better segment youth for future agriculture development work in South Sudan. FARM II is planning for a follow-up training on youth in agriculture during the third quarter of the project. Gender issues are also very important to the project, as approximately 40 percent of all FARM II beneficiaries are women. FARM II's market development work is exploring new opportunities for women in the sector.
- **Expanded and strengthened community FBOs.** FARM II identified and assessed FBOs in seven of the project's nine new payams during the reporting period. We added 65 new FBOs and 2,400 farmers to our network; new FBOs and farmers in the final two payams will be identified and assessed during the next quarter, once the security situation improves.

BUILDING LOCAL CAPACITY

The capacity building component is primarily tasked with developing the capacity of the private sector and strengthening the enabling environment. Key accomplishments made in this area over the past quarter include the following:

- **Fostered local business development services.** FARM II selected two South Sudanese organizations to receive grants totaling almost \$50,000 to support local businesses in areas such as business plan preparation, market studies, financial analysis, organizational development, and management. Both grantees will focus on strengthening project-supported cooperative unions during the project's third quarter.
- **Promoted entrepreneurship in agriculture.** We carried out planning for an enterprise grants program that will promote entrepreneurship in the Greenbelt's agricultural sector, to be launched during FARM II's third quarter.
- **Promoted public-private partnerships.** FARM II selected Seed Grow Co. Ltd., a South Sudanese agro-dealer, to receive a \$49,652 grant to establish an effective, sustainable system for producing and distributing locally produced certified seed to support the development of South Sudan's agricultural sector. We are supplementing the grant by providing technical assistance and business linkages support. The project has initiated partnerships with a number of private sector companies during the quarter in areas such as financial services, beverage processing, poultry production, and farmer input supply.
- **Bolstered public sector extension services.** After conducting a needs assessment of each of the nine county extension programs FARM II's service area, we found that major constraints limiting their effectiveness include a lack of mobility and the inability to communicate. The project selected all nine county extension offices to receive in-kind material support grants (totaling \$76,040) to address these key performance areas.
- **Supported the formation of state agribusiness forums.** FARM II is collaborating with EAGC, the German Society for International Cooperation (GIZ), the WFP, and the Dutch organization SPARK to facilitate the formation of an grain marketing industry roundtable or competitiveness council for the agriculture sector in South Sudan. After an initial meeting to launch this program, scheduled for early February 2016 in Juba, we expect roundtable groups in each state to develop.
- **Initiated efforts to improve the enabling environment.** Discussions between project staff and USAID identified four policy-oriented trainings to be developed and delivered in each Equatoria state by FARM II. These training will include topic areas such as youth in agriculture, standards and quality, land management and climate-smart agriculture, and local public and private sector roles and responsibilities in agricultural development. These trainings will be delivered during the third quarter of the project and expected participants will include local and state government officials, cooperative unions, and business leaders.

Do No Harm

A week-long "Do No Harm" training was conducted in Juba from September 21 to 25, 2015. Nineteen senior project staff in Juba and the project's three state programs participated in the training. The purpose of this training was to develop a cadre of "Do No Harm" trainers who can later train many others at the state, county, and payam levels on the "Do No Harm" framework. FARM II now has a pool of well-trained staff who can apply "Do No Harm" principles to everyday project work. Training at the state and local levels will begin during the project's third quarter .

I. INTRODUCTION

The Feed the Future South Sudan Food, Agribusiness, and Rural Markets II (FARM II) project is a one-year contract with an overall value of \$11,999,142 and an implementation period that runs from April 16, 2015, through April 15, 2016. FARM II is a follow-on to the five-year, \$54.3 million FARM project, which closed on April 17, 2015. FARM II is being implemented by a consortium led by Abt Associates, which was also the prime contractor for the original FARM project.

The purpose of FARM II is to provide technical assistance and other services to improve agricultural markets and food security in the Greenbelt region of South Sudan. Similar to the first project, FARM II includes three major components: 1) agriculture markets, 2) agriculture productivity, and 3) capacity building. FARM II emphasizes a market-pull approach to agriculture development creating market incentives for farmers to increase their production using the new technologies and farming practices introduced by the program.

FARM II focuses on the same staple crops that were targeted under the prior project: maize, groundnuts, beans, cassava, sesame, rice, finger millet, and sorghum. Although the new project works in the same nine counties served under FARM (three in each Equatoria state), one additional payam has been added in each county, increasing the number of payams served from 27 to 36.

FARM II operates in an insecure, unpredictable security environment. Although the government and opposition leaders have recently forged a peace agreement, peace has yet to come to South Sudan. Despite great hopes for implementation of the peace agreement, concern abounds that it will not be successful and that the country will return to civil war. Crime is increasing in Juba and along major transport routes, such as the Juba–Yei and Juba–Kajo-Keji roads in Central Equatoria State (CES). Conflict has been fairly consistent in Mundri West and Maridi in Western Equatoria State (WES) throughout this reporting period, precluding our staff from working in those areas. At one point, staff even had to flee Yambio because of conflict between Sudan People's Liberation Army (SPLA) soldiers and a local militia that formed years ago to fight the Lord's Resistance Army (LRA), which at one time operated in South Sudan as well as in Uganda and the Democratic Republic of the Congo (DRC). A variety of triggers can easily spark violence in many places in the Equatoria region, and it could quickly spread to other parts of the region.

This insecurity has also created inflation—the South Sudanese Pound (SSP) increased three-fold between the end of the first FARM project in April and the end of FARM II's second quarter of operations. Dollars are difficult to obtain and banks often will not honor checks because they do not have enough currency to cash them. Furthermore, since the Central Bank is not functioning, checks from one bank are not honored at other banks, making it difficult for the few people being paid in dollars to access cash. Petrol and diesel have been in short supply and transportation is difficult. There are often long lines at the pumps, which can result in drivers have to wait all day just to get less than a full tank. Fuel can only be found at very high prices in the black market.

The persistent drought that has affected much of Eastern Equatoria State (EES) and Yei in CES has been another constraint on South Sudan's agricultural production. Some areas have not been able to harvest crops for the last two seasons; others have suffered from shriveled crops and reduced harvests.

FARM II's first quarter was primarily devoted to project planning, drafting the work plan and Performance Management Plan (PMP), hiring and deploying new staff, establishing management practices and lines of communication, and distributing seed. During the second quarter, this groundwork began to show success—some activities were initiated and others were in the planning stages and will commence in coming months. This report discusses these second quarter activities and accomplishments.

2. COMPONENT I: AGRICULTURE MARKETS

2.1. IMPROVE POST-HARVEST HANDLING AND PROCESSING

Loss rates from insects, diseases, and animal pests remain high in South Sudan. Losses occur at multiple points in the harvest, post-harvest, and marketing process, including while crops are being processed for home consumption and when they are conditioned for storage in warehouses and storage facilities for eventual bulk-sale through cooperative societies and unions. FARM II is addressing post-harvest handling and processing practices to mitigate losses at all of these points. We are distributing supplies and providing technical guidance not only to strengthen on-farm storage capacity, but also to improve farmers' knowledge and skills so they can better handle commodities and prepare their surpluses for market. We have also been helping farmer groups improve storage practices, both to safeguard *quality* and to secure the *quantity* of collectively stored commodities. At their core, our activities in this area aim to assist smallholder producers and cooperative societies in preventing grain loss and better preparing their surpluses for market so they can meet product quality standards and supply the required volume.

2.1.1. Task I: Reinforce Post-Harvest Handling and Storage Capacity

During this quarter, the team moved full force ahead to ensure delivery of key post-harvest loss reduction technologies (such as hermetic storage bags) and mitigation practices so that as many project-assisted farmers as possible can benefit immediately from the information and skills imparted by FARM II. We delivered training on harvest, post-harvest, and other critical crop conditioning and storage practices through train-the-trainer (TOT) programs and continued to raise awareness about the importance of quality control all along the maize value chain, to help project participants meet the quality requirements of the country's major maize buyer: the World Food Programme (WFP). Another highlight this quarter was the roll-out of our TOT approach, which emphasizes identifying and training lead farmers so they can quickly and systematically disseminate key messages and skills to other farmers within their communities (see section 3.1.2.1).

2.1.1.1. *Distributed hermetic storage bags*

Smallholders in the Greenbelt typically lose more than 30 percent of their crops after they are harvested but before they leave the farm. To combat on-farm storage losses and improve quality at the farm gate, in 2013 the FARM project distributed a limited number of hermetic storage bags to smallholders in VES. The results were striking—in some cases, the bags reduced losses by as much as 90 percent. Following this success, FARM II rolled out this activity much more widely so that as many smallholders as possible can benefit from this technology. This home storage technology dissemination activity is discussed in greater depth in section 3.1.1.3 under component two.

2.1.1.2. *Provided technical guidance and training on crop conditioning to farmers*

Proper crop processing (i.e., conditioning) is critical for ensuring grain quality, improving product marketability, and commanding a good price while also preventing post-harvest and storage loss. Crop conditioning entails ensuring that produce is dried to acceptable moisture levels and that foreign matter and impurities are removed or reduced before the products are moved from farm-gate into market channels. The FARM II team forged ahead this quarter to ensure that as many farmers as possible learn and apply these improved practices.

Figure 1: FARM II's Technical Handouts on Crop Conditioning



We provided technical guidance and hands-on training on these topics to 351 participants (trainers) in TOT programs, with the aim of helping farmers better understand the importance of grain quality control when preparing to market their produce. To reinforce the training, our Component I team also developed technical handouts with step-by-step guidance on crop conditioning and quality control (see Figure 1). The handouts serve as reference materials for the extension workers and lead farmers who participated in the TOT programs. They are also training materials that these

trainers can use when cascading their knowledge down to other farmers in their communities to help more smallholders bring quality produce to market. This approach allows the project to quickly scale up training for the more than 18,500 farmers being assisted by FARM II. Training on crop conditioning was carried out in all three Equatoria states and across all counties except Maridi and Mundri West in WES, where prevailing insecurity prevented us from working.

2.1.1.3. *Delivered technical guidance and training on good storage practices to cooperative unions*

Good storage facilities and management practices can greatly influence the storability of a crop. For this reason, FARM II continued to work relentlessly with cooperative societies and unions, emphasizing the need for good practices in storing crops that have been properly conditioned for marketing. Our training on storage of crops for marketing covered two fronts: the homestead and the aggregation point (the storage facility managed by a cooperative union).

To ensure that quality grain arrives at warehouses, we provided information and how-to's on grain handling and storage at home prior to transfer, since losses are endemic at this phase. We are addressing this problem at aggregation points by working with cooperative unions that have warehouses, because it is essential for smallholders to have access to secure, well-managed storage facilities to prevent further grain loss during storage. Producers have a greater chance of attracting serious buyers and securing better prices if they use well-managed storage facilities to house quality grains. FARM II's training on good storage practices reached all cooperative unions except those in Mundri West and Maridi in WES, due to the security situation. Our staff prepared technical handouts and distributed them to warehouse and storage facility managers to facilitate continued good management practices after the training was completed (see Figure 2).

Figure 2: FARM II's Technical Handouts on Good Storage Practices



2.1.2. Task 2: Strengthen Marketing Channels, Structures, and Logistics Systems to Facilitate Market Pull

To improve the effective and efficient flow of smallholder commodities to markets, FARM II is continuing to strengthen the cooperative societies and unions that serve as intermediate value chain actors across the three Equatoria states. All seven cooperative unions supported by the project are being groomed, in an effort to sharpen their skills and improve their management so they can not only better serve their membership base (smallholders) but also satisfy buyers by supplying quality products and commercial volumes. This quarter, we also focused on bringing markets closer to smallholders by addressing farm-to-market transport options for commodities and tightening the collective marketing mechanism to facilitate market pull.

2.1.2.1. *Hired skilled Cooperative Union Assistants*

FARM II hired six additional Cooperative Union Assistants to support unions in Yei, Morobo, Kajo-Keji, Magwi, Baalu, and Mundri West. The assistants are well-educated, with backgrounds in agriculture and an understanding of business principles. Although they are project staff members, they are embedded in each of the seven cooperative unions, with the express mission of strengthening the organizational and management capacity of these associations from the inside. They will help the unions become better organized and be more effective in involving their members in collective marketing to access profitable markets and begin to apply the principles of farming as a business (FaaB).

By the end of this quarter, all of the assistants had reported to their places of work except those who will work for the Mundri West County Cooperative Union, who have been unable to travel due to the unfavorable security environment. FARM II will provide orientation for the new Cooperative Union Assistants in November, after completing our training on collective marketing, FaaB, and financial literacy in all locations.

2.1.2.2. *Delivered technical guidance and training on collective marketing and farming as a business*

Figure 3: FARM II's Technical Handouts on Collective Marketing, Financial Literacy, and FaaB



Building sustainable markets where local produce can compete with Ugandan imports will require stronger collective marketing and more efficient production systems. Collective marketing can empower farmers to access better markets and acquire the negotiation skills needed to achieve better prices. To be competitive, both cooperative unions and farmers themselves must begin to view farming as a business. To help establish this mind-set, during this quarter FARM II launched an educational campaign to inform and train smallholder producers and cooperative societies and unions on what it means to manage farming as a business. We also conveyed key messages about the importance of farmers selling their commodities in groups to lower costs and realize greater benefits.

After the Component I team developed training modules and technical handouts, the project hired two local trainers

to deliver TOT programs in each of the nine counties. Participants included FARM II extension field staff, cooperative society and cooperative union representatives, progressive farmers, lead farmers, and officials from line government bodies (county agricultural and cooperative departments). The training started just after the end of the quarter (on October 19, 2015) and is expected to reach a total of 210 participants. Our extension agents will then train 600 farmers at the payam level—100 in six of the project-supported counties. To complement these training programs, our team also created technical handouts to help improve the effective flow of smallholder commodities to markets (see Figure 3).

2.1.2.3. Identified options for transporting commodities

Farm-to-market transport is a key bottleneck to the development of strong and sustainable rural agricultural markets in South Sudan. If they are to serve as market channels for their members, cooperative unions need to find a more cost-effective way to help members bring their produce to markets. FARM II's approach for addressing this critical problem is based on commercialization—we are guiding the unions to provide transport services as a business proposition. This will enable them to provide a service to members and will also contribute to reducing sourcing costs.

The Component I team held focus group discussions with six cooperative unions in all three Equatoria states to review options for transporting commodities from farms to collection points. This consultative process identified motorized, three-wheeled agro-truck tricycles—popularly known as *raksas*—as the most suitable means for transporting farmers' produce from bomas to payam-based aggregation centers.

FARM II will use grants to procure *raksas* for six cooperative unions. The unions will make the vehicles available to their farmer members during the production and marketing seasons, thus providing them with a much-needed services. When the vehicles are not being used by members, the unions will hire them out to other users for a fee. By commercializing this line of business, the unions can earn additional cash income, which can be used to provide even more services to their members.

The project has publicized a request for applications for enterprises to provide the *raksas* on the Gurtong website and in the Juba Monitor daily newspaper. Applications will be evaluated and selection made in the near future.

2.1.3. Task 3: Enhance Primary Processing



Photo: Abt Associates

Processing cassava flour in Bangasu Payam, Yambio, Western Equatoria State

The first FARM project distributed post-harvest processing equipment to several cooperative unions, including maize and groundnut shellers, sorghum threshers, and cassava graters and chippers. The machinery was intended to improve crop quality and reduce drudgery for those responsible for primary processing at the farm level, mostly women. It can make farmers more efficient and save labor, helping South Sudanese smallholders be more competitive against Ugandan importers.

During this quarter, FARM II staff met with most of the cooperative unions that had received processing equipment (not all were reachable due to the conflict). We found that most of the equipment was lying idle, for two main reasons:

- 1) The unions were requesting that members pay cash to use the equipment, but because cash is not readily available in rural areas, farmers were reluctant or unable to use the machines.
- 2) Because the equipment is very valuable, the unions' practice was to keep it at their headquarters for the sake of security. But since each union has members in multiple payams and sometimes multiple counties, these centers were not convenient for most farmers, making it difficult and expensive for them to transport their crops to use the equipment.

FARM II developed recommendations to help the unions address this problem. We are encouraging them to use the equipment as one more tool in their evolution to farming as a business. First, we advised the unions to ask for payment in kind (maize for using maize shellers, sorghum for using sorghum threshers, etc.) rather than in cash. Farmers will be more likely to use the machinery, since they have the means of payment at hand. The unions can then sell this produce to earn revenue. Secondly, we recommended that the unions distribute the equipment throughout their service areas, preferably by payam, relying on trustworthy members to responsibly manage the machinery for a fee. In addition to making the machines more accessible to a broader range of farmers (driving up usage rates and the unions' revenues), this practice will give the farmers managing the equipment valuable business experience and enable them to earn fees. And because most union members are female, it will help strengthen women's commercial skills and elevate their roles, which is good for the entire value chain.



Seme Salah Paul (2nd from left), a member of the Kalaba Cooperative Society in Ootogo Payam, Yei County, persuaded the leadership of the Yei Cooperative Union at this meeting to station post-harvest processing equipment at central locations within each payam. For a small fee, Mr. Paul will manage the maize sheller as a business for the union, enabling him to offer shelling services for farmers in his community in Ootogo.

2.2. ESTABLISH VALUE CHAIN LINKAGES

We made significant progress in this area during this reporting period. FARM II ramped up several key activities and now, for the first time ever in South Sudan, financial institutions have developed a financial product specifically targeting smallholder producers, private input supply companies have geared up to establish agro-dealer partnerships with farmer groups to bring seeds and other inputs closer to farmers, and breweries are seriously considering tapping the production potential of smallholders to source their raw materials. The project also made progress in integrating smallholder producers into both the input supply chain and the grain markets, by helping link producers to aggregation centers/warehouse facilities to bring markets closer to farmers while simultaneously increasing efficiency. Substantial effort went into encouraging smallholders to participate in collective marketing, which will enable them to better time the sale of their produce to maximize revenues and income. All these activities are beginning to boost confidence and hope among many smallholder producers and farmer groups.

2.2.1. Task I: Conduct Market Assessment and Stakeholder Analysis

Activities under this task were successfully completed. The findings from the assessment and analyses helped guide the implementation of other activities. No additional work is envisaged under this task.

2.2.2. Task 2: Develop Market Opportunities

The main objectives of any market development activity—including farmer-trader forums, trade shows, and other promotional or visibility-raising events—are to attract the attention of targeted buyers, increase awareness, and communicate messages that increase the business confidence of buyers and investors as well as of critical service providers such as input supply companies and financial institutions. FARM II's market development activities aim to increase producers and producer organizations' contacts with buyers, provide information and services to support market entry, and help develop marketing strategies for project beneficiaries. We are providing opportunities to increase the marketability of South Sudanese products and supporting the development of new partnerships between interested businesses and smallholders. During this quarter, the project helped launch several activities to promote and facilitate market development (both backward and forward) that benefit smallholder producers and farmer groups.

2.2.2.1. Facilitated farmer forums at the state level

Farmer–input supplier forums. FARM II organized three farmer–input supplier forums this quarter—two in EES (Magwi and Pageri) and one in CES (Yei)—to facilitate relationships between cooperative unions and cooperative societies and two South Sudanese input suppliers that provide seeds, agricultural chemicals, and farming implements. The forums offered opportunities for cooperative unions to review options for serving as dedicated agro-dealers for these input supply companies, which would help smallholders better access such vital services closer to their farms.

Century Seed Co. Ltd., a Yei-based input supply company, and Seed Grow Co., based in Juba, both participated in the forums. They showcased their products and clarified the terms, conditions, and modality of the potential agro-dealer relationships with the cooperative unions. For the input supply companies too, such a relationship is beneficial, since it has potential to strengthen and grow their input supply network and improve their outreach to smallholders in a cost-effective way. Both companies have welcomed support from FARM II to better integrate smallholders into the input supply distribution channel.



Photo: Abt Associates

A representative of Seed Grow Ltd. and members of the Baalu Cooperative Union (Pageri) discussing agro-dealer relationships

Farmer–financial institution forum. In Yambio, Magwi, and Pageri, approximately 100 representatives from 85 farmer groups/cooperative societies participated in a farmer–financial institution forum organized to inform smallholders and cooperative members about the two new agricultural financial products available to them: *Crop Advance* and *Dein Le Zira/Credit for Farming*. Farmers were very pleased to learn about the loan products, which will enable farmer groups to more quickly aggregate larger volumes of products for sale to buyers such as the WFP. The farmers felt that the two loan products hold promise for stimulating greater interest in farming as a business. The forum also gave financial institutions a chance to learn more about smallholder farmers' needs and challenges.

Farmer-buyer forum. The farmer-financial institution forum also doubled as farmer-buyer forum. The WFP, as the largest buyer of smallholder produce in South Sudan, provided a platform for attendees to inquire about participating in the Purchase for Progress (P4P) program. The WFP reaffirmed its need to procure commodities and reiterated its buying procedures, product quality requirements, and procurement processes. Access to financial instruments such as *Crop Advance* and *Dein Le Zira* gives farmer groups an opportunity to speed up their aggregation of produce to meet the WFP's demands.

Industry roundtables. FARM II is continuing to collaborate closely with the East Africa Grain Council (EAGC), the German Society for International Cooperation (GIZ), the WFP and the Dutch organization SPARK to facilitate the formation and establishment of an industry roundtable in Juba. The roundtable will serve as an advocate of the grain marketing industry in South Sudan. The first stakeholders' meeting is planned for early February in Juba.

As a result of these forums, cooperative unions are in the process of finalizing MOUs with input supply companies, Cooperative Bank of South Sudan and Finance South Sudan Ltd. (FSSL) are working with farmer groups to help them open bank accounts to begin the loan process, and the WFP is finalizing supply contracts for some of the farmer groups that attended the forum.

2.2.3. Task 3: Support Value-Adding Options and Opportunities

During this quarter, FARM II focused on key activities that helped strengthen value chains while also facilitating the sustainable integration of smallholder farmers into formal value chains. The activities initiated during the quarter will help boost agricultural production and stimulate enterprises and trade. One key activity we piloted during the quarter aimed to strengthen the marketing system. This pilot launched the micro-franchising concept, linking farmers (through lead farmers and cooperative societies and unions) directly with input suppliers to improve value chain efficiency and boost the uptake of inputs by smallholder farmers to increase agricultural production.

As described above, three cooperative unions were introduced to two input supply companies that provide seeds and farm implements. Both companies—Century Seed Ltd. and Seed Grow Co. Ltd.—are in the process of finalizing agreements with cooperative unions interested in serving agro-dealers. As dedicated agro-dealers for these commercial input suppliers, the unions and their cooperative societies will be better integrated into input supply distribution channels. With a network of lead farmers participating in the micro-franchising model, vital services will be brought closer to smallholders while increasing the incomes of all actors in the value chain. These collaborations should begin to bear fruit during the next production season. In addition, this model has the potential to serve as a sustainable exit strategy for FARM II's seed distribution intervention.

2.2.4. Task 4: Facilitate Market Linkages

During this quarter, the project team continued to forge ties with South Sudan's major grain buyers. FARM II is now collaborating closely with the WFP, the country's largest grains and legumes purchaser, linking the organization's P4P program with 10 farmer groups eager to serve as P4P "registered commodities suppliers" (see Table I for a list of these groups). As P4P registered commodities suppliers, these 10 farmer groups are expected to take the lead in aggregating smallholder produce for sale to the WFP. To increase agricultural production, we are also linking these groups with financial institutions (Cooperative Bank of South Sudan and FSSL) and two input supply companies.

Table 1: Farmer Organizations Working with the WFP

No.	Name of Farmer Organization	State	County	Payam	Boma	Storage Within Easy Reach	No. of Members
1	Kalaba Cooperative Society Ltd.	CES	Yei	Otogo	Goja	70 MT	97
2	Jalimo Growers Cooperative Society Ltd.	CES	Kajo-Keji	Kangapo 2	Jalimo	100 MT	116
3	Kendila General Purpose Cooperative Society Ltd.	CES	Morobo	Gulumbi	Kendila	100 MT	82
4	Garambelle Cooperative Society	WES	Mundri West	Kotobi	Karika	100 MT	28
5	Aye Pit Cooperative Society	EES	Magwi	Magwi	Magwi	100 MT	23
6	Baalu Cooperative Union	EES	Pageri	Pageri	Pageri	400 MT	325
7	Obbo Mii Komi Cooperative Society	EES	Magwi	Magwi/Obbo	Labatu	Individual Stores	25
8	Maperegizo Multipurpose Cooperative Society	WES	Yambio	Gangura	Gangura Centre	400 MT	630
9	Jarangala Women Multipurpose Cooperative	WES	Mundri West	Mundri	Mundri Town	50 MT	40
10	Yambio Farmers Association (Yafa)	WES	Yambio	Yambio	Yambio Town	400 MT	4,200

In addition to the WFP, FARM II is coordinating with one of the country's commercial integrated poultry and hatchery operations about buying grains, particularly maize, from our beneficiary farmers. Based in Juba, the poultry operation and hatchery, South Farmers Company Limited, is keen to establish linkages with FARM II smallholders, to have them supply maize to meet its need to feed 40,000 baby chicks a month (current production). FARM II and South Farmers Company Ltd. have agreed to organize a meeting with farmers in Central Equatoria next quarter to facilitate these linkages.

Our Component I team is continuing to collaborate with East African Breweries Ltd. (EABL) to identify the best way and location to kick off a pilot partnership between EABL and smallholder farmers. EABL is eager to partner with FARM II to purchase sorghum and maize from smallholders, but remains mindful and respectful of the need to balance its requirements with the need for food security in the country. While ready to source surplus grains, EABL and FARM II are also reviewing alternative options such as focusing on a pilot community or cooperative union to produce sorghum as outgrowers for the company's breweries. The tentative plan is to begin the EABL-smallholder outgrower partnership during the March 2016 planting season.

In addition to providing a market for smallholders' grains, EABL is interested in contributing support (e.g., in the form of white sorghum seeds). While the details are not final yet, our Component I team is continuing dialogue to put this partnership in place. Linkages with a stable, well-established commercial buyer hold promise for providing exactly the kind of incentive smallholders need to boost production. This desire, in turn, will lead to increased incomes and to investments in quality seeds and inputs.

2.2.5. Task 5: Improve Access to Credit and Finance

The lack of access to finance and credit continues to be a significant obstacle to development of agricultural markets in South Sudan. Smallholders in particular face an uphill battle. The need for immediate cash drives many smallholders to prematurely harvest their crops or offload their commodities to itinerant traders who offer ready cash but low prices. While many FARM II-supported smallholder farmers belong to cooperative societies and cooperative unions, in large part they continue

to sell directly to roving rural traders who offer on-the-spot payment, unlike cooperative unions and societies. Such situations have hampered and even stalled the movement of smallholder-produced commodities to markets through formal supply chains across the Equatorias. The project tackled this problem this quarter by collaborating with financial institutions. We achieved major breakthroughs in access to credit and finance by establishing linkages with financial institutions. These achievements have the potential to play a crucial role in unlocking some of the key constraints hindering smallholders' growth and prosperity. Specifically, FARM II:

Facilitated the development and launch of new financial products. Two new financial products designed specifically for smallholder farmers were launched during the quarter. In partnership with FARM II, the Cooperative Bank of South Sudan developed *Crop Advance*, a bridging credit scheme to help farmers and associations access up to 150,000 SSP in credit to tide them over during the interim period before they are paid by buyers. Similarly, we partnered with the microfinance institution FSSL to develop *Dein Le Zira/Credit for Farming*, another bridging credit scheme that provides up to 100,000 SSP. Both financial institutions collaborated with FARM II to take their products directly to farmers to explain in detail what they require of borrowers and to delineate the terms, conditions, and duration of the credit.

Linked farmer groups with banks. As a result of the financial linkages facilitated by FARM II, farmer groups such as YAFA, NAFA, and the Maperegiza Association in Gangua Payam in WES have opened bank accounts with Cooperative Bank of South Sudan so they can access credit this marketing season. In Eastern Equatoria, two cooperative unions interested in enhancing agricultural productivity (in Magwi and Pageri) have begun the process of establishing accounts through FSSL's Nimule Branch. Many of these farmer organizations have expressed gratitude to FARM II for this initiative (see text box). Once all paperwork is finalized, a total of roughly 7,500 farmers will have access to credit through the five farmer groups mentioned above.

Anthony Ezekiel Ndukwo, chairperson of the Yambio Farmers' Association (YAFA), explained how FARM II's new linkage to finance initiative will benefit cooperative societies as well as farmers. He said "When we borrow from the bank and pay the farmers, we ease the tension that arises from delayed payment." He continued by pointing out, "We can now pay them in time and they will be encouraged by prompt payment to work harder making farming truly a business. As a result they will bring more products to our warehouses."

**Figure 4: Training Agenda—
Financial Literacy**

Training Agenda	
1:30–2:45	Module 3: Financial Literacy Session 1: Financial Planning and Record-Keeping Session 2: Importance of Savings
2:45–3:00	Tea Break
3:00–3:45	Session 3: Credit Management
3:45–5:15	Session 4: Basic Criteria for Access to Credit
5:15–5:30	Wrap Up and Summary

Developed a financial literacy module and delivered training. Smallholders and associations have difficulty managing credit, carrying out a simple cost-benefit analysis, calculating opportunity costs, and devising profitable marketing plans that take into account marketing costs and risks. To address these challenges, FARM II organized financial literacy training across the three Equatoria states (see agenda in **Error! Reference source not found.**). The training, developed by our Component I team, was designed to boost smallholders' and farmer groups' knowledge and understanding of basic financial concepts (e.g., saving, borrowing, and spending) so they can make prudent financial decisions. And to strengthen participants' ability to access credit, our trainers discussed the basic requirements for accessing financial services. The Component I team also

created technical handouts on financial literacy, which we shared with extension workers and cooperative assistants, as well as with the EAGC and GIZ for their own training purposes. This technical support and training will continue throughout the Equatorias during the coming quarter.

2.2.6. Task 6: Expand Access to Market Information Services

Conducted training on the use of smartphones. FARM II's new payam and county extension workers in EES and CES were assigned smartphones and trained to use them to collect market price data and estimate yields. Using these phones will enable market price data and yield estimates to flow into the CommCare website. The monthly CommCare report can then be shared with various stakeholders in FARM II's service areas. Smartphone training in WES will take place in November 2015.

Collaborated with the EAGC to link FARM II's market information system (MIS) with RATIN. To avoid duplication and promote cross-donor synergy, FARM II's Component I team is collaborating with EAGC (which is supported by GIZ) to integrate the project's rural MIS into the Regional Agricultural Trade Intelligence Network (RATIN).¹ Since EAGC is a locally registered entity with a regional presence across East Africa, its market information portal RATIN, which is available in South Sudan, offers the best option for ensuring that market information continues to be available to farmers and businesses after the end of FARM II. The linkage with RATIN also provides an ideal exit strategy for the project's MIS efforts. Furthermore, RATIN monitors regional agricultural commodity trade flows at selected border crossings.

¹ FARM II also consulted with the WFP to see if it would be possible to integrate our MIS with its system through the State Ministry of Agriculture. Despite many attempts, this avenue did not materialize.

3. COMPONENT 2: AGRICULTURAL PRODUCTIVITY

During this quarter, FARM II continued to conduct agricultural productivity activities aimed at increasing the use of new technologies to boost productivity, improving farming practices, and strengthening producer organizations. This component targets smallholder transformation and economic development in order to improve rural farmers' livelihoods in a sustainable manner, so they can achieve food security in the face of South Sudan's unstable political environment and climate change pressures.

Most smallholders' capacity to access critical production technologies is limited, as they rely on rudimentary farming methods. Farms are relatively small despite the vast expanses of uncultivated land available in South Sudan—according to the Agricultural Sector Policy Framework (ASPF) 2012–2017, only 4 percent of arable land is being used. A further factor is that most farmers have been working as individual households, rather than working together to achieve economies of scale.

FARM II is working to deliver sustainable solutions to these challenges. We are continuing FARM's efforts to organize farmers in groups to help them aggregate their produce through cooperative societies. We are moving into new payams and working with even more FBOs and farmers (more than 18,500 to date) to increase the outreach of our extension services, which promote better farming methods. And we are distributing improved seeds and cassava stems to upgrade the quality and yields of staple crops grown in the region. Farmer by farmer and group by group, FARM II is helping change attitudes and practices in the Greenbelt region.

3.1. IMPROVE FARMING PRACTICES

3.1.1. Task 1: Increase Farm-Level Production and Small Farmer Productivity

3.1.1.1. *Expanded access to improved seed varieties*

FARM II has continued FARM's important work to distribute improved seed varieties to farmers across the Greenbelt. This activity is vitally important, as it introduces farmers and FBOs to new seed technologies and good agronomic practices so they can move from pre-subsistence to subsistence farming and then sustainably produce surpluses for market-ready farming.

During this quarter, the project continued to distribute 494 metric tons (MT) of improved seeds and cassava stems. This included 294 MT of seeds: 60 MT of maize (Longe 5), 8 MT of sesame (Simsim II), 60 MT of beans (K132), 6 MT of finger millet, 10 MT rice (Nerica 10), 150 MT groundnuts (Red Beauty), and 200 MT of cassava stems (TME 14 and NASE 14). The seeds were procured through three vendors in Uganda, but the cassava was procured through a local vendor from FARM-supported farmers who

had multiplied the stems. This demonstrates possibilities for local farmers to engage in seed production in South Sudan.

We distributed the planting materials to cooperative unions in all areas, who in turn distributed them to 310 FBOs. This strategy helps build the cooperative unions' capacity to engage in seed distribution as a business and empowers them economically. In Torit and Ikotos counties, however, we provided the seeds and cassava stems directly to FBOs, as cooperative unions have not yet been established in those areas. Each FBO is responsible for distributing the seeds to its members.

The seeds and cassava cuttings were distributed to farmers who had not previously received these particular types of certified seeds, even though many of them had received seeds for different crops. Of the FBOs that obtained seeds and cassava stems from FARM II, 19 percent were receiving them for the first time. The other 81 percent received seeds they had not previously gotten. All of the farmers who participated in the seed distribution program also received training.

During this quarter, the project team followed up with farmers who had benefited from the seed distribution, which primarily took place during the first quarter but extended into July. The maize, bean, cassava, groundnut, millet, and sesame seeds were to have been distributed in May 2015 but were not able to be brought into the country until June (after the growing season began). The cassava stems were even later as they were sourced locally for only the second time and required inspection from the Ministry of Agriculture. These delays meant that planting took place later than anticipated—most of the seeds and all of the cassava stems were planted during the second quarter. We estimate that farmers have planted 17,710 feddans (7,438 hectares) with the seeds distributed by FARM II and 1,000 feddans (420 hectares) with the cassava stems, for a total area of 18,710 feddans (7,858 hectares).

During the second quarter, FARM II staff followed up with farmers to ensure that the seeds had been planted. We will estimate production volumes once the yield data has been gathered and analyzed (see section 3.1.3.1), which is expected during the third quarter.



Photo: Rendento Tombe, AAH-I

Cassava planted in Bangasu Payam in Yambio in WES on August 19, 2015.

3.1.1.2. Increased land under cultivation

Increasing land under cultivation is a national goal in South Sudan and an important way to increase production. Some farmers in EES, particularly in Lobone, Magwi, and Ikotos, have used ox plows to prepare land for cultivation. By decreasing the labor required to prepare the land, the ox-plows enable farmers to expand land for production. Most farmers across the project area, however, continue to use hand tools such as *pangas* and hoes to clear and prepare their land for crops.

The FARM project promoted and trained farmers to use ox-plows; FARM II is continuing these efforts. Extension workers are raising awareness about the benefits of ox-plows and encouraging farmers to use them wherever possible and where such service providers are available. For example, a project staff member recently worked with a farmer in Yei who had an ox-plow. Upon our advice, he began renting it out to neighboring farmers, thus earning a small fee for himself and enabling others in the community to expand land under cultivation, which benefits the entire FBO and other members of the neighboring communities.

Project activities are directly contributing to the expansion of land under cultivation in the Greenbelt. Our assessments have shown that the field plots of most project-supported farmers average between 1.5 and 2 feddans—larger than the average size reported by ASPF 2012–2017 (0.3 to 1 feddans). They need these larger plots to plant the improved seed distributed first by FARM and now by FARM II, and the new technologies we promote and train them to use make it possible for them to handle the increased size. This increase is due to the fact that farmers who receive seeds from the project are encouraged to plant it on new land which they open.

3.1.1.3. Improved on-farm storage practices

During this quarter, the project used the Innovative Grants Facility (IGF) to procure 40,000 hermetic storage bags (50 kg each) and distribute them through five cooperative unions and one farmers' association in seven counties (see Table 2 below). Although 30,000 of them have now been delivered, the security situation in parts of WES prevented us from delivering 5,000 bags to the Maridi Cooperative Union and 5,000 to the Mundri West Cooperative Union. They were off-loaded into the Yambio Farmers' Association warehouse in Yambio, to be distributed when the security environment in the area normalizes. Refresher training on proper use of these bags is ongoing.

Table 2: Number of Hermetic Bags Distributed by State, County, and Cooperative Union

State	County	Cooperative Union	Number of Bags	Remarks
EES	Magwi	Magwi Cooperative Union	7,000	Delivered
	Magwi	Baalu Cooperative Union	3,000	Delivered
CES	Yei	Yei River Cooperative Union	5,000	Delivered
	Morobo	Morobo Cooperative Union	5,000	Delivered
	Kajo-Keji	Kajo-Keji Cooperative Union	5,000	Delivered
WES	Yambio	Yambio Farmers' Association	5,000	Delivered
	Maridi	Maridi Cooperative Union	5,000	Not delivered due to insecurity
	Mundri	Mundri Cooperative Union	5,000	Not delivered due to insecurity
TOTAL			40,000	

3.1.2. Task 2: Increase Efficiency and Cost-Effectiveness of Delivering Extension Services

As described more fully in section 3.2.1, FARM II is following the approach established under FARM, which organized farmers into FBOs. This approach helps address the inherent challenges of delivering extension services to large numbers of smallholders in a region where farms are sparsely distributed. By the second quarter, we were able to provide extension services and other assistance to more than 18,500 farmers through 731 FBOs.

In addition to the FBOs, cooperative societies, and cooperative unions, FARM and FARM II have supported the organization of some farmers into block farms. Fifty smallholders come together to create a 100-feddan (42-hectare) block farm composed of 50 contiguous plots of 2 feddans each. Individual smallholder farmers manage one of these 2-feddan plots. The block farms are located mostly in EES, where the state policy is promoting them. FARM II is working with nine community block farms in EES, where 450 farmers are working on 900 feddans of land. There are block farms in two communities in CES, where a total of 100 farmers have been organized to farm a combined 200 feddans.

During this quarter, the project continued to deliver extension services and seeds to farmers participating in these block farms.

3.1.2.1. *Identified lead farmers*

One of the keys to FARM II's strategy for scaling up extension services delivery is to identify and train lead farmers to serve as community-based extension agents. These lead farmers will expand the reach of our extension services by sharing key messages and disseminating new technologies at the local level. This approach bolsters the project's outreach; ensures sustainable transfer of technology; and fosters a more rapid and delivery of extension services. It is also an important step towards sustainability. When FARM II ends and project-funded extension agents are no longer available, the FBOs and cooperatives will themselves have the capacity to provide advice and assistance to their members.

During this quarter, we identified 412 lead farmers, including 53 women (12.9 percent). Selection criteria include farmers' ability to communicate, their understanding of project-promoted technologies, and their ability to be mobile so they can work with neighboring farmers. The lead farmers are members of project-supported FBOs and cooperative societies, who help select them. Members of each organization sit down with a FARM II extension agent to review possible candidates, look at the selection criteria, and name lead farmers. We are continuing to work with FBOs and cooperative societies to identify more candidates, particularly women and the youth, with the goal of naming at least 800 lead farmers by the time FARM II concludes. One lesson learned so far is that there should be at least two lead farmers in each FBO, so that if one is ill or away from home, the organization will still have someone available to serve its members.

FARM II also began training lead farmers during this quarter. Extension workers provide them with project-created extension message packages, which include leaflets and other information, and practically train them to apply new technologies. The lead farmers then deliver this same training to their peers and other community members.

3.1.2.2. *Increased accessibility of farmer demonstration sites*

The original FARM project established county-level demonstration sites during 2012 and 2013, while the IFDC's Seeds for Development program developed payam-level sites. When the IFDC program was discontinued in December 2013, a void was left for on-farm training at the payam level. To address this problem, in 2014 FARM moved its demonstration plots in CES from the county level to the payam level to make training more accessible to local farmers. This shift dramatically increased participation in FARM's good agronomic practices (GAP) training—over 3,500 farmers participated in CES demonstration site activities in 2014.

To build on the success of the payam-level approach, during this quarter FARM II established 29 demonstration plots, called Farmer Participatory Learning Centers (FPLCs), across all three Equatoria states. The original plan was to establish 36 plots, but we have not been able to develop five sites in EES due to drought and three in WES due to the lack of security. The plots, each of which is 1 to 2 feddans in size, have been donated by local

A sustainable way to create awareness of improved farming technologies

Farmers in the Greenbelt are realizing the value of the demonstration plots created by FARM and FARM II. For example, after observing how effectively our demonstration plots facilitated the dissemination of new technologies, farmers in Magwi Obbo Payam in EES have established three demonstration plots of their own. A farmer in Tore in CES has done the same. These innovative farmers are now helping their neighbors improve their farming practices using new technologies and these are more accessible to them as they are established within their own areas.

FBOs. Project staff advised on the selection of the locations to ensure that the land is suitable, accessible and protected from animals and theft. The local communities manage the sites, with technical support from our extension staff members. Technologies demonstrated on these plots include improved seeds, seeding rates, row planting, plant spacing, plant population, and field hygiene such as proper weeding. Crops grown at the demonstration sites include improved maize, sesame, finger millet, cassava, groundnuts, rice, and beans. Table 3 below lists the locations of the demonstration sites and notes which ones have been established and which ones we were not able to establish during the quarter.

Table 3: Locations and Status of FARM II Demonstration Plots

Eastern Equatoria State		Central Equatoria State		Western Equatoria State	
Isohe	Done	Kangapo 1	Done	Bangallo	Done
Katire	Done	Kangapo 2	Done	Mundri town	Done
Lobone	Done	Lire	Done	Kotobi	Done
Pajok	Done	Ngepo	Done	Landilli	Done
Obbo	Done	Kimba	Done	Maridi	Done
Iyre	Done	Wudabi	Done	Mambe	Done
Imurok	Done	Gulumbi	Done	Bangasu	Done
Pageri	Not done due to drought	Panyume	Done	Rirangu	Done
Kudo	Not done due to drought	Lasu	Done	Kozi	Not done due to insecurity
Ikotos Central	Done	Ottogo	Done	Amaki	Not done due to insecurity
Losite	Not done due to drought	Mugwo	Done	Gangura	Not done due to insecurity
Obbo Mikomi	Done by farmer	Tore	Done	Yambio	Done
Magwi	Not done due to drought				
Lerwa	Done by farmer				
Obbo Palotaka	Done by farmer				
Established = 11		Established = 12		Established = 9	
Not established = 4		Not established = 0		Not established = 3	

3.1.2.3. Conducted farmer field days

FARM II conducted 28 farmer field days during this quarter—at all but one of the demonstration sites—to encourage participation by local farmers, improve the exchange of information, and create awareness of project-supported technologies. Our extension staff organized the field days, which give farmers a chance to practice the new technologies, develop their practical skills, and share experiences. The hands-on training included topics such as planting in a line and dropping the recommended number of seeds per hole. Farmers attending the field days included some who are not members of project-supported FBOs but want to learn to use the technologies that we are promoting. We are currently gathering data on attendance at the field days, and will report on those numbers next quarter.

3.1.3. Task 3: Enhance Knowledge of Small Farmer Productivity

3.1.3.1. *Assessed small farmer yields*

Assessing crop yields is a vital tool for evaluating the impact of the project's certified seed distribution program. These exercises, carried out each season under FARM and continuing under FARM II, help strengthen producer organizations by providing much-needed information about how much farmers are producing so they can determine how much surplus they will have available to sell. Due to the challenges and limited capacity in South Sudan, the first FARM project gathered yield data only for maize, then used those results as an indicator to measure the overall effectiveness of its seed distribution and GAP training programs. After five years of operating experience in the country, we are expanding this approach under FARM II by assessing yields for three additional staple crops: cassava, groundnuts, and beans.

Trained extension workers. As a first step, we provided training for the extension workers who will conduct the yield assessments. This was especially important in Eastern Equatoria, where almost all extension workers are new to the project. In that state, we provided 15 extension workers with a combination of classroom training and practical, hands-on field learning opportunities. The classroom curriculum covered topics such as using smartphones and GPS devices; it was followed by sessions to practice gathering yield data in farmers' fields. In other states, FARM II delivered refresher training county by county, because most extension workers in those areas had experience gathering maize yield data under FARM. We explained how to transfer those techniques to gather yield data for groundnuts, beans, and cassava.

Conducted assessments. During this quarter, the project's payam extension workers began collecting data on maize, cassava, beans, and groundnut yields through assistance with the Texas A&M Borlaug Institute. These data are now being validated, cleaned, cross-checked, and entered for analysis. A total of 165 assessments were completed for the first harvest season which was well under the activity's plan. This target deficiency was largely due to insecurity in Western Equatoria, drought in Eastern Equatoria, rampant gasoline shortages limiting motorcycle access to fields, and an over extended extension team. We are now planning for a more robust yield assessment process for the second season which will take place from the end of November through January. The data will be used to evaluate the impact of FARM II's distribution of improved seeds on beneficiaries' crop yields and will include controlled group sampling for each crop

Collected rainfall data. FARM II continued the payam-level rainfall data collection activity initiated by FARM. The data is used to inform project beneficiaries about precipitation levels in their area, since this information has a direct bearing on the yields they are able to obtain. Rainfall data also helps farmers and project staff know whether their areas have experienced droughts. During the period under review, FBOs in 25 locations collected data on rainfall using rain gauges provided by the first FARM project. Table lists the locations where rainfall data was collected, and provides the names of the contact persons responsible for gathering the information. The contacts are FBO members—engaging them in this activity is helping build farmers' data collection capacity. The data collected will be mapped out and shared with farmers and development partners to aid their programming efforts.

Table 4: Locations for Rainfall Data Collection, by County and FBO

	County	Payam	Boma	FBO	Contact
1	Ikwoto	Ikwoto Central	Ifuda	Lobuho	Atuk Juma
2		Lomohidang	Isohe	Ingwa Tafa	Taban Justin
3		Katire	Iswak	Muturi	Joseph Oliwa
4	Magwi	Magwi	Obbo	Obbo Miikomi	Ojara Paul
5		Pajok	Lawaci	Pekoyo	Silvio Okulu
6		Pageri	Moli Andru	Meria	Tongu Michael
7	Torit	Ifwotu	Imokoru	Mura Tabwor	Dominic Sudan
8		Imurok	Ifoho	Elocang	Joseph Kasiano
9		Kudo	Hutyala	Imaru	James Jackson
10	Yei	Mugwo	Jambo	Jambo General Purpose Cooperative	Constantino Abugo
11		Ottogo	Mongo	Dumo Cooperative Society	Malish Emmanuel
12		Lasu	Lasu	Lasu Progressive Farmers Association	Raphael Logulumo
13	Morobo	Gulumbi	Girilli	Girilli Cooperative Society	Stephen Woja
14		Kimba	Kimba	Kimba Rice Growers Cooperative	Alex Kenyi
15		Wudabi	Aloto	Ajugi Highlands	Santo G. Francis
16	Kajo-Keji	Lire	Mekir	Nyarling NEDO Farmers Group	Ibrahim L. Mirye
17		Kangapo 2	Bori	Ngarakita Farmers Group	Jackson Songa
18	Yambio	Yambio	Bodo	Navundio	John Augusto
19		Bangasu	Remenze	Makpandu	Joseph Martin
20		Ri-rangu	Ri-rangu	Nyemuse	Justin Augustino
21	Maridi	Maridi	Maridi	Lalama II	Jackson Jamal
22		Mambe	Malaga	Malaga	James Chogo
23	Mundri West	Mundri	Mundri	Troalo	James Majan
24		Kotobi	Karika	Garambelle	James Fakiri
25		Bangallo	Bangallo	Logoba	Victor Nyamo

3.1.4. Task 4: Explore Sustainable Seed Multiplication Options in South Sudan

The project recognizes the need for a local seed production system in South Sudan. With the exception of local cassava stem procurement during the 2013 and 2015 planting seasons,² all seed to date has been imported from Uganda. Although South Sudan's enabling environment and capacity limitations are not conducive to rapid progress in this area, we have begun seeking viable solutions. As discussed further in section 4.1, we have successfully vetted and selected one local seed company, Seed Grow Ltd., for a

² During these years, the first FARM project purchased and distributed locally sourced cassava stem in the Greenbelt. But that planting material itself was the result of Uganda-produced cassava stem that FARM had distributed during the 2011 through 2012 seasons.

grant to help it establish seed multiplication linkages with project-supported FBOs and cooperatives. FARM II is also assisting Century Seed, a previous FARM project beneficiary, in establishing market linkages in this area. The purpose of these linkages is to establish the foundation for a sustainable future seed multiplication sector. The first FARM project's work with Century Seeds is still providing benefits—some of the farmers linked with the company in 2012 are still multiplying seed for the company. In addition to business linkage support, FARM II has also provided technical assistance to farmers groups that will be linked to Seed Grow to ensure that they understand the specifications required for certified quality seed multiplication.

3.2. STRENGTHEN PRODUCER ORGANIZATIONS

3.2.1. Task 1: Expand and Strengthen Community Farmer-Based Organizations

The first FARM project delivered assistance to 16,167 smallholder farmers through 666 FBOs.³ The FBOs were spread across the project's service area, which included three counties in each Equatoria state, with three payams per county. FARM II is expanding into one additional payam per county, to increase our reach while remaining close to our main operational areas. With these new additions, we are now working in 36 payams, compared to the 27 served under FARM.

During the second quarter, we worked to assess and identify FBOs to receive project support in these nine new payams. We have completed this exercise in seven of the payams, and it remains underway in the other two—Maridi and Mundri West in Western Equatoria. Insecurity in those areas has precluded us from finishing the task there. At this point, 65 new FBOs have been identified in the new payams, including 45 in CES. We are on track to meeting our goal of working with at least 10 farmer groups in each payam. FARM II is now working with 731 FBO, which serve more than 18,500 farmers, about 40 percent of whom are women.

We have posted extension workers in all of the new payams and have begun delivering extension services through demonstration plots established in five of them (see Table). For FBOs in Kudo and Lobone payams in EES, farmers received seeds for planting this quarter. One block farm in Lobone planted beans on 100 feddans; the crop is doing well. During the coming quarter, we will continue to provide extension services, help in formation of new FBOs, cooperative societies, facilitate registration processes with Department of Cooperatives and link producers to markets.

Table 5: FARM II Activities in New Payams During Quarter 2

State	County	Payam	Assessment Completed	Seeds Distributed	Demonstration Plots Established
EES	Torit	Kudo	Done	Done	Not done
	Magwi	Lobone	Done	Done	Done
	Ikotos	Losite	Done	Not done	Not done
CES	Yei	Tore	Done	Not done	Done
	Morobo	Panyume	Done	Not done	Done

³ The 11 block farms are included in this total.

	Kajokeji	Ngepo	Done	Not done	Done
WES	Yambio	Gangura	Done	Not done	Done
	Mundri	Amaki	Not done due to insecurity	Not done	Not done
	Maridi	Kozi	Not done due to insecurity	Not done	Not done

4. COMPONENT 3: CAPACITY BUILDING

The capacity building component of FARM II focuses primary on two important areas. The first is private sector development, where we are developing human and institutional capacity to provide the foundation of skills, knowledge, and operating capacity needed for commercial agriculture development. The second addresses the need to strengthen South Sudan's enabling environment. In this area, we are focused on improving the public sector's ability to support the agriculture sector and developing non-governmental bodies and working groups that will advocate for agricultural issues that will support the advancement of the sector.

4.1. PRIVATE SECTOR DEVELOPMENT

4.1.1. Task 1: Foster Local Business Development Services Providers

The project has established a business development services (BDS) grants program whose purpose is to develop BDS capacity in South Sudan to help strengthen agriculture and agribusiness ventures in the country. It covers areas such as business plan preparation, market studies, financial analysis, organizational development, and management. A total of \$50,000 was programmed for this activity in our work plan budget. The project published a request for applications (RFA) for this activity in local newspapers in August 2015 and received eight responses. A grants selection committee reviewed and scored each application.

The project evaluation team decided to split the award into two grants, because two applicants each had unique training and counseling attributes. In addition, this provides an opportunity to develop the capacity of two organizations rather than one.

- ***Rising Dawn Ltd.*** was selected to receive a BDS grant in the amount of \$24,952. Established in 2009, Rising Dawn is a private South Sudanese consulting organization headed by a female director. Its goal is to become a reliable professional services firm that addresses gaps inhibiting the development of small-scale farmers in South Sudan, particularly women farmers.
- ***Enterprise Inc.*** received an award for \$24,140. This private company operates on social principles with an objective to promote the development of locally grown small- and medium-scale enterprises (SMEs) to create jobs and promote economic development in South Sudan.

The primary scope of both grants covers management training for cooperative unions during their three-month performance periods.

4.1.2. Task 2: Promote Entrepreneurship in Agribusiness

In addition to promoting entrepreneurship in agribusiness this quarter through trainings in areas such as financial literacy, farming as a business, and access to credit, FARM II prepared to solicit and award small enterprise grants, which will be done during the third quarter.

4.1.3. Task 3: Promote Public-Private Partnerships

The purpose of FARM II's public-private partnership (PPP) program is to leverage project resources by bringing in private sector capabilities to promote private sector development in strategic parts of South Sudan's agricultural sector. We made significant progress toward achieving this objective during the reporting period. The main PPP activity that was planned for FARM II is to leverage project resources and technical expertise to advance private-sector seed multiplication capacity in the country. A \$50,000 PPP grant was included in the project work plan budget for this activity.

FARM II chose a private sector partner for the activity through a competitive selection process, which took place during the quarter. An RFA we publicized in local newspapers in August 2015 yielded 12 applications from local companies. The project's selection committee went through a careful evaluation process, which required three rounds. We then selected Seed Grow Co. Ltd., a South Sudanese agro-dealer established in 2012, to receive a PPP grant (as mentioned above). Seed Grow was chosen for its strong organizational set-up and its qualified staff, both in its head office in Juba and in field locations. The company has outlet shops in Juba and Yei and equipment such as tractors, warehouses, and tools to support the seed multiplication process. It also has demonstration plots in Rajaf Payam, Juba County, that produce vegetables and cereal crops. Seed Grow's goal is to become a seed research and breeding agribusiness firm that distributes high-quality, affordable agricultural inputs and products to farmers in South Sudan.

The grant, in the amount of \$49,652, will be executed during the third quarter. It will include in-kind material support in such areas as foundation seed, warehouse improvements, processing equipment, tools, a computer, office equipment, technical assistance, and training. Seed Grow will commit over \$52,000 of its own resources to match FARM II's contribution. Developing strong business linkages between Seed Grow and selected smallholder farmer groups is a key determinant in making this program work. FARM II has initiated technical assistance and training support to Seed Grow and local farmer groups in CES to contribute to the program's success.

As reported in the Agriculture Markets chapter of this report, FARM II has partnered with a number of other private companies during the quarter in key strategic areas. We have worked closely with the Cooperative Bank of South Sudan and FSSL to develop financial products that will provide farmers with short-term working capital until they receive payment from buyers for their sold harvests. We also collaborated with other private businesses, such as a local brewery and poultry producer, that could become attractive buyers for smallholders' produce.

4.2. STRENGTHENING THE ENABLING ENVIRONMENT

4.2.1. Task 1: Bolster County and State Departments of Agriculture

The FARM projects have worked closely with state and local counterparts on extension services provision since 2010. In addition to providing training and technical assistance to these offices during the contract period, the intention of FARM II is to also provide some material support to these local government entities, which are so severely under-resourced that they are unable to provide even the most basic services to smallholder farmers in their areas. The project's work plan budget includes \$90,000 for this purpose.

During this quarter, we conducted a needs assessment for each of the nine county extension programs in FARM II's service area. A significant finding was that there are two major constraints limiting these

offices' effectiveness: 1) their limited ability to communicate with field extension workers; and 2) their extension workers' lack of mobility, which is needed to access their smallholder beneficiaries. Based on the needs assessments, we have developed individualized in-kind grant agreements for each of the nine county agriculture offices. The total value of these nine grants is \$76,040. Commodities provided to these country extension service offices will include items such as motorcycles, bicycles, computers, printers, and solar energy units—all designed to meet the offices' most urgent material needs.

4.2.2. Task 2: Introduce State Agribusiness Stakeholder Forums

As reported in the agriculture markets chapter of this report, FARM II has been closely collaborating with EAGC, GIZ, the WFP, and SPARK to facilitate the formation of an industry roundtable in Juba that will advocate for the grain marketing industry. The first stakeholder meeting is planned for early February in Juba. We expect that the result of this initial national-level meeting will be the launch of state-level advocacy groups that will support grain marketing interests in each Equatoria state.

4.2.3. Task 3: Improve the Business Enabling Environment

The FARM II work plan includes a series of policy-oriented trainings in each Equatoria state, designed to increase awareness, understanding, and local capacity in four key business enabling environment areas. During this quarter, we initiated discussions with USAID to identify four topic areas to incorporate into the program. As a result, the project will create and deliver training modules in the following areas: 1) youth in agriculture, 2) standards and quality, 3) land management and climate-smart agriculture, and 4) roles and responsibilities of local public and private institution in agricultural development. These trainings will be delivered in January 2016 in each of the three Equatoria states. Participants are expected to include senior government officials at the state and county levels in agriculture and related sectors, community leaders, cooperative unions, banks, agro-dealer businesses, and other donor programs supporting the agriculture sector. The trainings will be prepared and delivered by in-country project staff and international short-term technical assistance advisors. Monitoring and Evaluation

The project's monitoring and evaluation (M&E) department has expanded with the addition of a Communication Specialist. A search is ongoing for a third M&E expert. We have revised project tools implemented by the first FARM project to better reflect FARM II goals and be consistent with USAID's Feed the Future guidelines. Technical teams and M&E staff have collaborated to design new tools as needed. Many of these tools now exist in both paper and pencil form and digital form for data collection on smartphones. Our goal is to develop a digital Web-based M&E system, an effort that is moving toward fruition. The new system will eliminate many of the errors created by collecting data with paper and pencil. It will enable us to move toward "live" or "almost-live" data that can be of better use to project management. Moving to a digital system has created a need for troubleshooters to help extension workers with their smartphones. FARM II's M&E and marketing staff have handled this jointly.

FARM collected market prices for maize, beans, groundnuts, millet, sesame, and cassava on a weekly basis from 31 local markets. The data were uploaded and included on a Web-based map. Because this pilot initiative became so popular, it is now being moved to an accessible public website. We are also including markets in the project's new payams (for a total of 40) and adding another crop, sorghum.

Because good training is the hallmark of good data collection, we have begun training on the revised and new tools—both pencil and paper and digital. The training will continue throughout project implementation. Smartphone training has been conducted in EES and WES, and training on data collection for yield assessments has been carried out in EES.

5. CROSS CUTTING AREAS

5.1. DO NO HARM

A week-long “Do No Harm” training was conducted by subcontractor Bauman Global LLC in Juba from September 21 to 25, 2015. Nineteen senior project staff in Juba and the project’s three state programs participated in the training. The purpose of this training was to develop a cadre of “Do No Harm” trainers who can later train many others at the state, county, and payam levels on the “Do No Harm” framework. The main purpose of the “Do No Harm” training is to help participants:

- Understand the operational context of their work,
- Then, understand the impact of interventions on that context,
- Learn to reduce negative impact and increase positive impact, and
- Identify and reduce conflict risk.

The program also taught the participants the seven “Do Know Harm” steps which include:

- Understand the context,
- Analyze the dividers which may cause conflict.
- Analyze the connectors which may reduce conflict,
- Analyze the Intervention,
- Analyze the Impact,
- Generate Options,
- Test Options and Redesign work.

The training was successful and now the project has a pool of well-trained staff who can apply “Do No Harm” principles to everyday project work. FARM II is also developing a plan during the third quarter where senior staff trained on “Do No Harm” training will provide training to state and county staff on this important subject matter.

5.2. GRANTS

As described in the narrative of all three program components, FARM II has been highly active preparing and executing grants to support of the project’s technical program. Grants have been prepared in the following areas during the project’s second quarter:

- Distribution of 40,000 hermetic bags to five cooperative unions and one farmer organization;
- Business Development Services to two South Sudanese business counseling organizations in the amounts of \$24,952 and \$24,140;
- Public-Private Partnership for seed multiplication to a South Sudanese agro-input supply company in the amount of \$49,652;
- In-kind material support to nine county agriculture extension offices totaling \$76,040 for items such as motorcycles, bicycles, computers, and a solar energy unit;
- In-kind material support to seven cooperative unions totaling \$145,501 for items such as processing machinery, “raskas,” oxen, plows, and carts, and storage materials.

The execution of FARM II's enterprise grants program encouraging entrepreneurship to individuals and small businesses in the Greenbelt will be launched during the project's third quarter.

5.3 MONITORING AND EVALUATION

FARM II's Indicator Tracking Table is included in Annex I of this document. The project is in the process of collecting data on trainings, farmer field days, and other events from its field locations, therefore information included in the table is not complete. Information related to the first harvest season is now coming into the Juba office and has not been fully analyzed. The project is preparing for a large yield assessment activity during the second harvest season which will begin during the end of November 2015. This information will be available by the end of the third quarter.

5.4 YOUTH

The project is targeting youth between the ages of 20 and 29. As a result of the Youth Assessment completed during the first quarter of the project, FARM II is beginning to identify youth group in which it can concentrate some project activities under its normal service offerings that it provides to farmer groups in the region. The project is also beginning to record age in its beneficiary tracking efforts. Youth will be a targeted group in the project's enterprise grant program which will be launched during the third quarter. FARM II also intends to prepare a policy-dialogue training on the subject of "Youth in Agriculture" during the third quarter of the project.

5.5 GENDER

Approximately 40% of FARM II beneficiaries are women. With our expansion into new payams and the addition of new FBOs in the FARM II system, 952 more women have been brought into the program during the first two quarters of the project.

FARM II specifically targets women throughout all aspects of the project. Thus far, 53 women have been selected as lead farmers and will receive more intensive support and training in GAP and other agriculture production areas. We hope this number will double as the program will be increased during the next quarter. With this support, these lead females will be expected to serve as role models and share their newly acquired skills and knowledge in the area of agriculture production with other female farmers in their communities. Females have also actively participated in the project's private sector development activities. One-half of the project's Farming as a Business training were women. Approximately 30% of financial literacy trainees during the quarter were women.



Photo: Redento Tombe, AAH-I

Project-support women farmers in Rirangu Payam, Yambio County, Western Equatoria State

Women will be specifically targeted in the project's upcoming enterprise grants program giving them support as entrepreneurial leaders in the sector.

6. PROJECT MANAGEMENT AND ADMINISTRATION

6.1. SECURITY

FARM II has been affected by political instability and other developments in South Sudan during the last quarter. Although the civil war has mainly been confined to the north, the south has experienced issues resulting from the civil war, such as clashes between armed groups in Western Equatoria; a rebel attack on SPLA barracks in Pageri on August 18, 2015; a historical border dispute with Uganda that flared up in Pajok Payam in Magwi (in EES) on August 3, 2015; and gunmen stopping and robbing vehicles on the Juba to Yei and Kajo-Keji to Juba roads. Juba has also seen a series of robberies in NGO compounds, car hijackings, and other violence.

The civil war has caused runaway inflation, lack of U.S. dollars in banks, and shortages of petrol and diesel, which has created long lines at the pumps and a lack of fuel in some of the Equatoria states. The firing of governors in two Equatoria states and elsewhere, the dismissal of senior Sudan People's Liberation Movement party members, and an executive order that increased the country's current 10 states to 28 decentralized states have all created uncertainty at project sites in the Equatoria zone. Insecurity has affected, at some point, all of Western Equatoria. As a result, the counties of Mundri West and Maridi have received limited FARM II support during the quarter.

This political instability and violence have been exacerbated by the drought affecting a large portion of Eastern Equatoria and some areas in Central Equatoria. In addition to the drought, Eastern Equatoria had no petrol for the extension workers' motorbikes, limiting the time extension workers could be in the field working with project beneficiaries. The closure of the Juba to Yei road limited the support our technical staff in Juba could provide to CES staff, as flights had a limited schedule and were often full.

More details about the situation in each of these states are outlined below.

6.1.1. Central Equatoria State

There have been a few violent cases of banditry, notably on key routes in or near Kajo-Keji, involving armed attacks. They have resulted in deaths and in survivors fleeing into the bush. Unless this insecurity is contained, it will likely affect FARM II's activities in the area. Because of the high level of risk, the Juba to Yei road remains out of bounds to international personnel, creating the need to send vehicles in a convoy when things need to be transported. This puts an additional driver and vehicle out of service and gives rise to concerns for their safety. Because the UN Humanitarian Air Service/WFP flights between Juba and Yei occur only once a week and are unreliable, technical support from our Juba office is limited.

Ethnic divisions in CES may be hardening. Moreover, relations between the Dinka-dominated SPLA and the Equatorian community have deteriorated, making it necessary to be ever-vigilant at project sites.

In the western part of the State, movement of IDPs from the widespread disturbances in Western Equatoria, in particular Wondoruba, have caused concern. The project continues to operate without serious hindrance, so far, in Yei, Morobo, and Kajo-Keji counties.

6.1.2. Eastern Equatoria State

FARM II works in three counties—Magwi, Ikwotos, and Torit—and in four payams in each. Security problems are of a smaller scale than elsewhere, though, and our operations are not directly hindered by either criminality or clashes.

Nevertheless, incidents of banditry have increased between Torit and Kapoeta and the dynamics generated by local resentment toward the Dinka community, which have led to violence in WES and CES, have given rise to concerns, particularly in the vicinity of Magwi County. The main threats emanate from crime and increasing banditry on main highways.

Adhering to risk mitigation protocols should allow project implementation to continue. EES is likely to remain comparatively quiet compared to rest of the FARM II region, although contagion is a possibility.

6.1.3. Western Equatoria State

The security situation in WES is characterized by a relentless, albeit creeping, deterioration. If this trend persists, the question of the long-term sustainability of project operations will ultimately need to be addressed, probably sooner than elsewhere in FARM II's other areas of operation. Yambio in particular is characterized by unpredictability. This is a distraction for the FARM II team, interrupting the focus and momentum necessary for the project to progress.

FARM II saw disruption in all three areas of operation in Western Equatoria this quarter. Local staff based in Yambio were relocated to a safe haven for several days in early August, due to clashes likely between the Arrow Boys and the SPLA. Fighting in Maridi broke out and continued into September, leading field operations to be suspended. In Mundri West, there has been fighting between the local militia and the SPLA. Both Maridi and Mundri West have received limited FARM II assistance this quarter because of the insecurity.

There were major clashes with helicopter gunships in Mundri West in September between the SPLA and the local population supported by local militia. These initially led to the suspension of FARM II operations. After such ferocity, the area is still suffering from severe fallout and many are still living in the outlying rural areas for safety.

Clashes, armed abductions at night, and attacks on convoys using main routes also generate tension. The UN Mission in South Sudan in Yambio has recently raised its state of alert, not because of a significant incident but because of a series of aggravating factors over a few weeks. This is an area which is being assessed day by day to review continuation of FARM II activities and the safety of our staff.

6.2. PERSONNEL

Table below shows new staff hired this quarter. Following that,

Table shows current staffing by FARM II partner and location.

Table 6: Staff New to FARM II this Quarter by Partner, Location, and Gender

Partner	Juba	CES	EES	WES	Total	Male	Female
Abt Associates staff	3	1	0	0	4	4	0
AAH-I staff	0	6	9	7	22	18	4
RSM staff	0	0	0	1	1	1	0
ACDI/VOCA staff	0	0	0	0	0	0	0
Total	3	7	9	8	27	23	4

Table 7: Current FARM II Staff by Partner, Location, and Gender

Partner	Juba	CES	EES	WES	Total	Male	Female
Abt Associates staff	18	4	3	5	30	22	8
AAH-I staff	2	19	17	17	55	50	5
RSM staff	6	3	3	2	14	14	0
ACDI/VOCA staff	3	1	1	1	6	6	0
Total	29	27	24	25	105	92	13

Sadly, the project lost one staff member, Christopher Lumori, a payam extension worker, following a fatal motorcycle accident on September 12, 2015.

7. KEY ACTIVITIES PLANNED FOR NEXT QUARTER

7.1. COMPONENT 1: AGRICULTURE MARKETS

Key activities planned for the next period include the following:

- Continue to collaborate with the WFP and EABL to advance partnerships
- Continue to work with the two financial institutions to finalize the financial products
- Roll out training on crop conditioning and crop quality
- Provide training on financial literacy and access to credit and finance
- Deliver training on collective marketing
- Organize a preliminary stakeholder meeting/industry roundtable to sensitize grain industry participants on forming a competitiveness council in Juba
- Conduct at least one farmer-trader forum at the state level
- Train cooperatives to use SMS to collect market price information
- Consult with mobile operators (Vivacel, MTN, and Zain) on provision of bulk SMS services for use by cooperative unions
- Conclude the capacity assessment of cooperatives
- Process in-kind grants for cooperative unions

7.2. COMPONENT 2: AGRICULTURE PRODUCTIVITY

Key activities planned for the next period include the following:

- Monitor activities at demonstration plots
- Stage farmer field days
- Identify lead farmers in FBOs
- Conduct yield assessment for sampled farmers during second harvest season
- Collect rainfall data
- Identify FBOs in new payams
- Conduct assessments in new payams where they have not yet been done
- Distribute and monitor the use of post-harvest storage bags
- Link FBOs to cooperative societies for marketing purposes

- Identify women farmers and women's farming groups in payams
- Deliver extension training for payam extension workers, to improve service delivery
- Organize farmers to display their crops and participate in agricultural shows in the states

7.3. COMPONENT 3: CAPACITY BUILDING

Key activities planned for the next period include the following:

- Conduct assessment of new payams and FBOs
- Provide refresher training on SMS and CommCare for extension workers
- Deliver training on post-harvest handling and crop conditioning for FBOs, targeting selected farmer groups with productivity potential
- Roll out training on collective marketing, FaaB, and financial literacy
- Assess counties' capacity to deliver services

7.4. MONITORING AND EVALUATION

- Collect data for the second yield assessment
- Provide training on all the data collection tools—both paper and smartphones
- Conduct field data verifications and quality assurance
- Deliver training on M&E concepts and mechanisms for data quality management
- Present data on web-based dashboard

ANNEX I: FARM II INDICATORS BY COMPONENT

	Project Indicators	Baseline	Project Target	Q1	Q2	Q3	Final Report	Performance Achieved as of End of Reporting Period	On Target? Y/N
Component 1: Agricultural Markets									
I.1.1:	At least 20,000 farmers use improved post-harvest handling techniques	16,167	20,000						NTR
I.1.2:	Post-harvest losses reduced by at least 50 percent by targeted farmers	40%	Decrease by 50%						NTR
I.1.3:	Increase in total sales of farmers by at least 15 percent over baseline	\$79,590	Increase by 15%						NTR
I.1.4:	At least 10 operators of value-added activities (such as milling or drying), receive technical assistance to increase profits by at least 20 percent	1	10						NTR
			Increase by 20%						NTR
I.1.5:	At least 10,000 farmers and 20 agricultural enterprises actively access financial services, whether through formal financial institutions, flexible financing, or community-level associations	0	10,000						NTR
			20						NTR
I.1.6:	At least 20 agricultural enterprises expand operations into markets outside of the Greenbelt	0	20						NTR
I.1.7:	A minimum of 40 percent of participants of program activities under this component are women	38%	40%						Y
Component 2: Agriculture Production									
I.2.1:	At least 20,000 farmers (8,000 females), largely as members of FBOs, receive technical assistance to increase production within approved value chains	16,167	20,000		2,413			63.0%	Y
		8,389	8,000		952			116.7% ¹	Y
I.2.2:	At least 15 percent increase over baseline in production within approved value chains by targeted beneficiaries	\$79,590	Increase 15%						NTR
I.2.3:	At least 450 new or existing farmer organizations (at least 150 female FBOs) are developed or strengthened through increased technical and managerial capacity of leadership and improved participation and commitment of membership	666	450		731			148.0% ²	Y
		208	150					138.7% [†]	Y
I.2.4:	At least 20 'lead farmers' (8 females) are mentored within each value chain who serve as an example of best practices under the project	0	20		412			2,060% [®]	NTR
		0	8		53			662.5% [®]	NTR

	Project Indicators	Baseline	Project Target	Q1	Q2	Q3	Final Report	Performance Achieved as of End of Reporting Period	On Target? Y/N
I.2.5:	At least 40,000 hectares will be under new management practices or technologies (new and continuing)	19,445	40,000		7,893			38.4%	N
I.2.6:	A minimum of 40 percent of beneficiaries of program activities under this component will be women	38%	40%		39.8			24.8%	NTR
Component 3: Capacity Building									
I.3.1:	At least 200 CAEWs and PEWs and other public sector actors in the zones of intervention have increased capacity to provide extension services and implement policy, as relevant	39	200						NTR
I.3.2:	State and county-level actors reach 30 percent female composition of the CAEW and PEW work force	3	30%						NTR
I.3.3:	At least 50 micro, small and medium existing or start-up agribusinesses (to exclude agro-input suppliers already covered under Component 2) receive business development services to identify constraints and increase their management and technical capacity over the life of the program. These businesses may overlap with those described in Component 1, but services must extend beyond links to financial services and capital described there	7	50						NTR
I.3.4:	At least 12 trainings are conducted over the course of the project to state and county-level officials on the implementation of nationally-approved agriculture, land, and business-enabling/investment promotion policies	0	12 t						NTR
I.3.5:	A minimum of 20 percent of project activities must be formally agreed upon by the state and/or county authorities in the form of MOUs or other written commitment	27	20%						NTR
I.3.6:	A Public- Partner Partnerships (PPP) will be facilitated and launched by the project	0	1						NTR
I.3.7:	At least five local non-governmental organizations will be built or improved upon, as measured by USAID's Organizational Capacity Assessment or other accepted tool, using the Innovative Grants Facility	7	5						Y
I.3.8:	A functioning Competitiveness Council is established and effectively improves the dialogue between stakeholders in the agriculture sector	0	4						NTR
I.3.9:	A minimum of 20 percent of beneficiaries of program activities under this component will be women	38%	20%						NTR

¹ The project baseline, where FARM ended, was more than the project target and more have been added started since the start of the project.

² The project baseline, where FARM ended, was more than the project target.